11 June 1955

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Which The Egyptian-Israeli Situation"

- likely to launch an attack to drive Egyptian forces and Arab refugees out of the Casa strip. In the present tenso situation, the possibility of such reckless action goes without saying. Some incursions and shootings by refugees and hot-headed Egyptian troops will shoot certainly continue, thus encouraging the Israelis in their policy of reprisals. The fact that "activist" sentiment for a military showdown with the Arabs is particularly strong in Israeli military circles enhances the likelihood that local clashes might get out of hand. However, we still believe that meither Israel nor Egypt is prepared to take the political and military risks involved in deliberately initiating full-scale hostilities.
- probably suffer severe military reverses and his sum position seriously threatened in event of war with israel. As for israel, we continue to believe that it would be reluctant to risk the possibility of Tripartite intervention and the loss of US financial support which deliberate Israeli aggression would probably involve. Moreover, it would appear unlikely that the Israeli Government, whose present toughness is at least partially sotivated by a desire to win support in the 26 July general elections, would wish to confront the electorate with a full-scale war, and resulting international complications.
- J. We believe that the chances are better than even that the present crisis may be eased, at least until after the Esraeli election, under strong pressure from General Burns and the Tripartite Declaration signatories, the US, the UK, and France. Both Esrael and Egypt have tentatively accepted the idea of talks between ranking military representatives to work out better border controls though they are still far from agreement on the precise level of representation. Even if such talks are held, however, the Gasa mithation will remain explosive.

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* This memorantism has been coordinated with OCT and OD/P and was informally discussed at the TAC meating on ill June.

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